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# Green Makes New Defense Act No. 1 AFL Task

## *Urges Unions and Members to Write Their Congressmen Before July 10 to Vote Strong Price and Rent Controls*

Washington.—AFL President William Green called on AFL unions and their members to make enactment of a strong Defense Production Act their "chief topic of union business during the next 30 days."

Mr. Green urged the 8 million AFL members to write their congressmen before July 10 asking them to vote for a strong new law to replace the one expiring June 30.

"The issue involved in this fight is very simple," Mr. Green said in letters to officers of national and international unions, state federations of labor, Central and Federal Labor Unions.

"Are we or are we not going to have a comprehensive anti-inflation program that will carry out the principle of equality of sacrifice under the defense program?

"If the business and real estate lobbies have their way, the law will be so severely emasculated that the net result is likely to be strict controls over wages with only token controls over prices.

"Although the Defense Production Act may appear complicated and technical, it directly affects the lives and welfare of all American workers.

"To the worker earning $50 a week, a 5 percent increase in prices is just the same as a wage reduction of 6 cents an hour, or $2.50 a week."

Following is the text of the letter:

I am writing to ask you to designate the month from June 10 to July 10 as a period of intensive effort to support the campaign of the American Federation of Labor to strengthen the Defense Production Act.

The Defense Production Act became law on September 8, 1950. This is the basic law underlying our defense program. It provides the legal basis for both price control and wage stabilization. It includes authority for all credit controls, including Regulation X setting high down payments for the purchase of new housing.

This law is scheduled to expire on June 30, 1951. The Banking and Currency Committees of both the House and Senate are now holding hearings regarding its extension. President Truman has recommended certain changes in the law, but the A. F. of L., as well as other sections of organized labor, has made further recommendations to strengthen the law. On the other hand, the business and real estate interests are determined to scuttle the entire law or at least fill it with crippling amendments.

Because of the slow pace at which Congress works, it is very unlikely that a new law will be passed by June 30. Our best information is that Congress will vote a 15- or 30-day extension of the law in order to keep the act until a new law has been approved.

Thus the period during the next 30 days becomes critical. The issue involved in this fight is very simple. Are we or are we not going to have a comprehensive anti-inflation program that will carry out the principle of equality of sacrifice under the defense program? If the business and real estate lobbies have their way, the law will be so severely emasculated that the net result is likely to be strict controls over wages with only token controls over prices.

If we are going to have a real anti-inflation program, the Defense Production Act needs to be amended in the following ways:

1. More effective price controls over foods.
2. A strengthened rent control program.
3. More effective enforcement of price control.
4. Control over the quality of products coming under price control.
5. Dollar-and-cents ceiling prices.
6. Change in requirements for handling credit restrictions on housing.

I am asking that you make this Defense Production Act the chief topic of union business during the next 30 days. It is essential that local union meetings discuss the defense program and then take action by adopting resolutions. Most important of all, we must make Congressmen and Senators realize how important this issue is to all organized labor and to the American people. A. F. of L. unions and union members must write individual letters explaining their views on this issue.

The forces of reaction thrive on ignorance. They cannot succeed with their program if we are vigilant. Although the Defense Production Act may appear complicated and technical, it directly affects the lives and welfare of all American workers. To the worker earning $50 a week, a 5 percent increase in prices is just the same as a wage reduction of 6 cents an hour, or $2.50 a week.

Please keep me informed of the progress of this campaign in your area. If you will arrange to send me copies of union correspondence sent to Congressmen and Senators, our legislative staff in Washington can utilize this material in their legislative work.

## Lehman Warns Nation Faces Disaster Unless Defense Act Is Strengthened

By ARNOLD BEICHMAN
New York Correspondent AFL News Service

New York.—Senator Herbert Lehman warned that this country faces a disastrous inflation danger unless a new Defense Production Act is passed by June 30.

Addressing the 54th annual convention of the AFL American Federation of Musicians, and the largest in its history, the New York Senator said that "beginning about three months from now, greatly increased inflationary pressures, of tremendous force and magnitude, are going to be felt in this country."

The 1,200 AFM convention delegates reelected AFL Vice President James C. Petrillo to head the union for his 12th successive year as international president.

The convention established the Lester Petrillo Memorial Fund for Disabled Musicians with an initial contribution of $10,000 by President Petrillo. A memorial to Mr. Petrillo's youngest son, Lester, who died in 1931 of an infection resulting from a football injury, the trust fund will be administered by trustees comprising the members of the Musicians' international executive board. Eligible for benefits are disabled musicians who have been AFM members for five years or more and their families.

Other international officers elected were Charles L. Bagley, Los Angeles, vice president; Leo Cluesman, Newark, N. J., secretary; Harry J. Steeper, Teaneck, N. J., treasurer. In the election of members to the international executive committee, Charles R. Iucci, secretary of Local 802, New York, won by the slim margin of two votes over William J. Harris, Dallas, Tex.

Others elected to the executive board were Stanley Ballard, Minneapolis; Herman D. Kenin, Portland; George V. Clancy, Detroit, and Walter M. Murdock, Toronto.

## Congress Gives You Runaround

Washington.—While opponents of controls have been having a field day, those favoring controls have been given the brush-off by both House and Senate committees.

The record shows the Senate committee found time for 40 witnesses against extending and improving the Defense Production Act. They got 12 days. The Administration's point of view was given 6 days, and 8 witnesses.

Before the House committee, time was found for 36 witnesses against controls, who took 10 days; and only 7 days for 6 witnesses for the other side.

## Truman Joins DPA Campaign

Washington.— President Truman took the fight for a stronger Defense Production Act by June 30 to the people in a radio network speech on June 14.

All radio and television networks carried Mr. Truman's speech lining up with the AFL for a stronger DPA.

### BACKS DPA

Washington.—In a statement on the importance of extending the Defense Production Act of 1950, Secretary of Defense Marshall said:

"The reasons today for the continuation of that act are more compelling than the reasons for its original enactment. We are now only in the early stages of the defense mobilization effort which must be made. The full impact will not be felt, in my opinion, until the calendar year 1952 and the winter of 1953.

## AFL Members' Immediate Job: Write a Letter For Strong DPA

Washington.—AFL President William Green gave every AFL member a job to do before July 10.

In a letter to officers of national and international unions, state federations of labor, Central and Federal Labor Unions, he laid it out this way:

1. Designate June 10-July 10 as a period of intensive effort to support the campaign of the AFL to strengthen the Defense Production Act, which is scheduled to expire June. 30.
2. Make the Defense Production Act the chief topic of union business during the next 30 days.
3. It is essential that local union meetings discuss the defense program and then take action by adopting resolutions.
4. AFL unions and union members must write individual letters explaining their views on this issue.
5. Keep Washington AFL headquarters informed of the progress of the campaign in your area.

### HARRISON SWORN AS WILSON AIDE

Washington.—George M. Harrison, AFL Vice President and President Brotherhood of Railway and Steamship Clerks, was sworn as Special Assistant to Defense Mobilization Director Charles E. Wilson.

Mr. Harrison took over the top job in the Defense Mobilization Program assigned to United Labor.

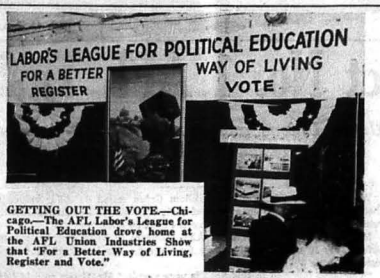
### LEVY DIES

Los Angeles.—Louis Levy, for 18 years vice president of the AFL International Ladies' Garment Workers' Union, for 11 years its Pacific Coast director, and since 1949 an executive board member of the Los Angeles Central Labor Council, died June 2, at the Cedars of Lebanon Hospital. He was 59. He began his union career in Philadelphia and New York.

### ARMY DAY

Washintgon.—The United States Army celebrated its 176th birthday on June 14.

# Above-Ceiling Hikes Approved For Shipyards, Productivity




**GETTING OUT THE VOTE.—Chicago.—The AFL Labor's League for Political Education drove home at the AFL Union Industries Show that "For a Better Way of Living, Register and Vote."**

Washington.—The Wage Stabilization Board approved a 15 percent pay increase for shipyard workers and 2 percent annual improvement wage raises when granted for increased productivity and without a request for a price increase.

The two steps carried the nation forward toward development of a realistic wage policy to replace the old formula of limiting pay increases to 10 percent above the January 1950 level, including fringe increases.

Economic Stabilization Director Eric Johnston reaffirmed, however, that general wage increases should be limited to the increased cost of living since Jan. 15, 1950—about 10.5 percent measured by the U. S. Bureau of Labor Statistics new consumer price index.

WSB and Mr. Johnston continued talks on further developments in the general overall wage policy.

Approval of the shipyard raise was made on the provision in the wage formula which permits above-ceiling increases where workers' wages did not keep pace with those in comparable industries. The board noted that shipyards had been depressed during recent years and wages had lagged behind those in related fields.

The new rates will go up to $1.81 an hour for first class mechanics in New York Shipbuilding, Camden, N. J., an AFL yard; $1.80 in Bethlehem yards; to $1.93 on ship repair and $1.79 on new ships in Southern California yards, and to $1.73 at Pascagoula, Miss.

The productivity increase was approved in the case of the General Motors Corp. and CIO United Auto Workers.

The WSB and Mr. Johnston appeared to indicate in their statements that productivity increases—and perhaps deferred wage increases—which do not exceed 2 percent may be approvable if employers do not seek a price increase on the basis of the pay boost. The board still has to rule on the deferred wage increase problem.

**UNION LABEL PRESIDENT.—Chicago.—AFL Vice President Matthew Woll (left), president AFL Union Label Trades Department, looks approvingly at the Chicago Federation of Labor's Federation News' special 36-page edition for the AFL Union Industries Show. With Mr. Woll is William Lee, president Chicago Federation.**

## GET 5 CENTS

Salt Lake City, Utah.—Executive Secretary Thomas A. Rotell of the Pacific Coast District AFL Metal Trades Council announced that 14 AFL unions and shipyard operators had agreed on a 5-cents-an-hour wage increase for 27,000 workers.

Under the new scale, wages will start at $1.62 hourly for helpers, include $1.98 an hour for mechanics, and have a top of $3.13 for technical engineers.

# Keenan Calls For Full-Scale Counter-Attack in 1952 Campaign

By JOSEPH D. KEENAN
Director, AFL Labor's League for Political Education

Labor's League for Political Education is planning a fullscale counter-attack in 1952. LLPE's Administrative Committee urges local and state leagues to start their plans immediately.

National headquarters staff members will do everything possible to attend every state convention to get the ball rolling.

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Many union members and officers were disappointed by the 1950 elections. Some are worried that we won't get the crumbs that are usually thrown to us by a reactionary Congress. Some are ready to withdraw from the political field. But you can't win a fight unless you are in it.

We have learned enough from seasoned politicians and experience to know that as long as we are in a fight there is always a chance of winning it. The sure way to lose a fight—and never get anything but crumbs from the table—is to stay out of it.

We worked hard in the last election, yet a lot of our friends lost. Those are the breaks of the game.

The history of progress is a series of disappointments. Every step was fought for. Gains were won, lost, won again.

That is also true of politics. There is no magic way to win quick, easy permanent victories. Let's remember that the life-blood of politics in a democracy is competition. You can't win one election and close up shop.

We can expect to take more lickings, along with our victories, in years ahead. The main thing is to keep trying. In time we will have a solid, permanent effect on U. S. politics.

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A lot of people felt bad because we didn't win in Ohio last year. Actually it was the case of a seasoned professional political team against rookies.

Robert Taft's victory cost more money than that of any other Senator in history. Every trick in the book was used. Even religious hatred against Catholics was used by our opponents in the last week—after they had spent months working the other side of the street by flattering prominent Catholics.

How do we overcome this defeat and go on to victories? By giving up —or by staying with this program until we have good political know-how and the understanding of the people?

Giving up is just not part of the trade union tradition. I remember the 1921 steel strike. I remember the 1921 packinghouse strike. I remember how the unions were destroyed completely in those strikes. But did the great union leaders give up? Of course not. And today in both steel and meatpacking you will find the strongest of unions and the best of conditions. In both cases the unions came back to fight again.

So it is with politics; you must take the bitter with the sweet.

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As far as our present political position is concerned, we are not so bad off as we might be. Labor's enemies won a smashing victory in 1946 and passed the Taft-Hartley Act. But by counter-punching in 1948, we won back lost ground and elected a Congress that passed the first progressive legislation in a decade—the 75-cent minimum wage, increased social security, public housing and the great union shop law for railroad workers. It is true we again took a setback in 1950. But not nearly so bad a one as in 1946.

So now we have a stalemate in Congress. We can't get Taft-Hartley repealed or good laws passed, but our enemies are afraid to attack us in the open. The best they can do is to slash at us through the back door by cutting appropriations for such things as public housing and the Labor Department. They haven't got the courage or the votes to take us on in an open fight to wreck the various progressive laws on the books.

They are waiting to see who will break the stalemate in 1952. Will labor votes tip the balance to a liberal majority in Congress, or will we take a walk?

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If we hide out just because our feelings were hurt in 1950, you can bet your bottom dollar reactionaries will make a clean sweep. Gone will be any respect for labor on Capitol Hill.

If we try our best, win or lose, we will gain the respect of the professional politicians. They will give us our due and not trample the interests of the ordinary citizens of this country. They will know labor is in politics to stay.

Just remember that if you want to win bad enough you can.

We lost in the last election. We have all had a good cry. Now it is time to start training for the next contest—November 4, 1952.

# ILO Sets Debate On Wages, Prices And Employment

Geneva, Switzerland.—Delegates to the 34th general conference of the International Labor Organization faced debates on wages, prices and employment during sessions expected to last to July 1.

AFL International Representative George P. Delaney was U. S. worker delegate, assisted by AFL and CIO union advisers.

The annual report of Director General David A. Morse set the stage for the full scale debates on economic problems by worker, employer and government representatives. Mr. Morse invited full discussion of these subjects in his annual report.

Mr. Morse said he hopes the debate will help the ILO member countries to arrive at wage-price policies "designed to promote the best interests both of workers and of the community as a whole, in conditions of full employment and scarcity of labor."

He warned that certain methods of freezing prices and wages which worked in wartime would result, in peacetime, in wages and prices which would almost certainly become "increasingly irrelevant and inconvenient" to any economy which should be flexible.

"Governments should satisfy themselves that total demand is no greater (and no less) than is required to absorb the goods and services produced when the economy is fully employed," he said.

"Governments, workers and employers should agree on certain relevant basic goals—namely, price stability, wage increases in proportion to the increases in the general level of productivity, and action to ensure for workers a fair share of the products of industry."

Sharp and widespread retail price increases throughout the world as a result of rising raw material costs were predicted by Mr. Morse.

## VISITED SHOW

Chicago.—Visitors from England, Germany and Australia were among the spectators at the AFL Union Industries Show.

# Urges Ship Work For West Coast

Washington.—In a letter to Vice Admiral C. L. Cochrane, Maritime Administrator, Rep. Hugh B. Mitchell, urged that all the contracts for reactivation of ships for the purpose of carrying grain to India be awarded West Coast yards until a "balance between contracts given East and West Coast yards is reached."

Mr. Mitchell pointed out that both the Senate and the House of Representatives have passed the India grain bill which includes a directive to the Maritime Administration to reactivate about one hundred Liberty ships for transporting the grain. He said:

"The Pacific Coast shipbuilding industry, so vital to our national defense, is deteriorating in spite of the fact that we are currently faced with a grave national emergency which requires the activation of this industry. The shipyards on the West Coast proved conclusively their capabilities during World War II and must be granted the opportunity to continue their effective work at this time."

## ASK MEDIATION

Chicago.—The railroad brotherhoods have asked the National Mediation Board to call national conferences with the railroads to negotiate a union shop as provided by act of Congress last Jan. 1.

# LPA News Co-Op Changes Its Name

Washington.—The labor-supported cooperative daily news service changed its name from Labor Press Association to Labor Press Associated at its annual meeting.

The change was made to satisfy a request of the AFL International Labor Press of America in the interest of avoiding confusion over the identity of the two organizations.

Ruben Levin, of Labor, was re-elected president for his third term and Henry C. Fleisher, editor The CIO News and director of CIO public relations, was re-elected vice-president. Charles H. Herrold, editor AFL Weekly News Service, was chosen secretary-treasurer to succeed Glen Slaughter of The AFL League Reporter.

With these three officers, other editors chosen to the board of directors are:

AFL—Frank B. Powers, the Commercial Telegraphers Journal; Gordon H. Cole, The Machinist; Leon Stein, acting edtior ILGWU Justice; Robert Gerhart, the Reading, Pa., Era; Frank X. Martel, Detroit Labor News.

CIO—Vince Sweeney, The Steelworker; Paul Sifton, The Auto Workers; Arthur Riordan, the IUE Worker; Al Herrington, Communications Workers News; and a representative from the American Newspaper Guild to be selected.

Independents — Irwin Lippe, The Trainman.

LPA praised the services of Max Danish, retired editor of Justice and named him a life member ex-officio of the executive board. It lauded the work of Allan L. Swim, who resigned from the board when he left the position of CIO public relations director to go to Europe for the Economic Cooperation Administration.

Hold on to your U. S. Savings bonds—buy more.

# A Letter

Washington.—Congress must pass a new Defense Production Act by June 30.

This is the law which freezes wages, attempts to control prices and rents, regulate credit and defense production.

The American Federation of Labor wants the law strengthened to do, as President Green told Congress, a "truly effective" job of controlling the cost of living and making available the necessities of life at prices workers can afford to pay.

Toward that objective, every AFL member and all his friends can help by writing a short letter, in his own hand, on one side of the paper to his representative in Congress or his senator.

Letters should be sent to representatives, House Office Building, Washington, D. C., and to senators at the Senate Office Building, Washington, D. C.

Send a letter today.

# Truman Backs AFL

Washington.—President Truman squared his position exactly with the AFL in asking Congress to extend and strengthen the Defense Production Act.

"It is extremely important that the Defense Production Act be extended and strengthened if we are to keep the heavy pressures of the next few months from becoming an unmanageable torrent of inflation," Mr. Truman said in a statement.

AFL President William Green told Congressional Committees considering a new DPA to replace the one expiring June 30 that a stronger law is needed to cope with the huge inflationary pressures still to come.

# Urge Crackdown on Beef Ceilings, All Prices

## *Green Favors Licenses in Industries Where Enforcement is Difficult; Asks Dollar-and-Cents Curb*

Washington.—AFL President William Green urged Congress to write a Defense Production Act by June 30 that will permit a crackdown in the enforcement of price ceilings.

He said the AFL applauds the rollback orders on beef products and is "shocked" by the attitude of cattle ranchers and feeders in their opposition to the orders.

Big packinghouses were reported slowing down in production and announced big layoffs which was regarded as part of the industry-wide plot to wreck the government's attempts to keep down beef prices and maintain a supply without black markets.

Mr. Green said in part:

"No matter how fair and equitable price control regulations may appear on paper, they will be useless unless they can be effectively enforced.

"Those who are tempted to disobey price control regulations must learn that violation simply does not pay.

"We endorse the proposals made by the President for 4 changes in the Defense Production Act to improve the enforcement. These 4 proposals would give the President authority to take the following action:

"1. Issue licenses in particular industries where price control enforcement is particularly difficult.

"2. Disallow for tax purposes fines or penalties paid for over-ceiling prices.

"3. Disallow for tax purposes the over-ceiling prices paid by buyers.

"4. Remove the antiquated $10,000 limit on the amount of damages that can be obtained in actions to recover overcharges in violations of price control ceilings.

"We have been gravely concerned by the developments in the current price control program. We have been particularly concerned by the fact that the regulations issued by the Office of Price Stabilization have concentrated more on controlling margins than on controlling prices.

"If we have to have a truly effective price control program, we must concentrate our energies on controlling prices. Trying to control prices by regulating margins only serves to pyramid price increases. For this reason, we have serious objections to a number of the most important regulations that have been issued by the Office of Price Stabilization.

"In recent weeks, there has been a trend in the other direction. We have been heartened in particular by the vigorous action taken to obtain for the consumers of this country lower prices on all beef products.

"We applaud the action of the OPS in developing a rollback program for beef prices based on dollar-and-cents ceiling prices. We are shocked by the attitude of the cattle ranchers and feeders, evidently dissatisfied with prices 25 or 50 percent above parity, who expect Congress to help them obtain even higher prices by lifting all price controls on beef.

"In order to place proper emphasis on dollar-and-cents ceiling prices, we urge Congress to amend Section 402(c) of the act to include the following sentence:

"In determining and adjusting ceilings and prices, the President shall wherever possible establish specific dollar-and-cents ceiling prices on specific commodities."

HOLD DOWN RENTS AND FOOD.—Washington.—AFL President William Green told congressional committees a new Defense Production Act, to replace the one expiring June 30, must be truly effective in holding down food prices and rents—two most important items in workers' budgets—if nation is to lick inflation

# U. S. Needs Power To Control Quality Under Price Rules

Washington.—AFL President William Green asked Congress to put teeth into the new Defense Production Act to enforce standards of quality in manufactured items. He said:

"No one can blame businessmen for disliking the process under which the prices of their products are controlled. The administration of any price control program has to expect businessmen to seek ways to circumvent the various price control regulations.

"The operations of OPA during World War II proved that perhaps the most important way businessmen try to avoid their obligations under price control is by lowering quality under the pressure of a price ceiling.

"This reduction in quality can take many forms including adulteration, down-grading, eliminating or reducing content of low-priced items, shifts to different labels, packages or marketing practices.

"Under the existing Defense Production Act, the powers of the OPS to deal with these problems are very limited. In particular, the restrictions included in Paragraph 402(b) must be eliminated. It seems to us elementary that in any price control program the government must have authority to set specifications and standards and require grade labeling, in order to make certain that price ceilings are observed."

## TOO MANY

Washington.—AFL President William Green told Congress that the Defense Production Act exempts from price controls industries which account for 14.6 percent of the budge expenditures of moderate income families.

They include gas, telephone, transportation, professional services, motion picture admissions and newspapers.

"A 10 percent increase in the cost of these items will be equivalent to a 2 cents an hour reduction in pay to the average factory worker," Mr. Green said.

"We feel, in particular that the prices established for newspapers, magazines, books, and admissions to motion pictures can be subject to some type of OPS regulation without infringing upon the traditional freedom of the press."

## PUTS LID ON

Indianapolis, Ind. — Meeting the threat of rising rents and housing shortages in Hancock County, Indiana, just east of Indianapolis, Housing Expediter Tighe E. Woods announced federal rent controls effective June 1.

This was the first time since the outbreak of the Korean war that the housing expediter introduced the rent stabilization program into an area where it had never previously existed. He acted on the plea of military authorities, local businessmen and the recommendation of the Hancock County Rent Advisory Board.

# Defense Work Just Started Poses Greatest Inflation Threat Yet

Washington.—The real defense program is just getting underway.

That's why we need a stronger and tighter Defense Production Act on prices and rents to replace the law expiring June 30 if we are to lick inflation.

AFL President William Green outlined it to Congress this way:

"The Defense Production Act became law on September 8, 1950. It was designed as the basic law governing our economy during this defense program.

"But let not fool ourselves about one fact; the real defense program is just now getting underway. We know that the Congress has authorized the expenditure of many billions of dollars to build up and equip our armed forces, to stockpile strategic raw materials, and to place this country in a state of readiness for any eventuality.

"The facts are, however, that there is always a considerable time lag between authorizing the expenditure and the actual spending of the allotted funds. It has been only recently that the funds authorized by Congress have actually started to find their way into our economy in substantial amounts.

"This flow of funds has been steadily increasing during the past few months and will continue to increase until our defense program will be absorbing 20 percent of our entire national effort.

"That is why in considering the Defense Production Act, we cannot merely think of the present. We must think of the future, of the period of time during which this legislation will be effective. The Office of Defense Mobilization, estimates that the "maximum production impact" of the defense program will fall "early in 1952."

"Decisions concerned with this legislation cannot be governed by any complacency that the program is now running smoothly, that inflation is being held in check, or that price increases have been halted."

# Low Income Wage Earner Needs Better Break on Housing Credit

Washington.—AFL President William Green advised Congress that the AFL is opposed to any further credit authority to the Federal Reserve Board in the housing credit field unless the new Defense Production Act makes some provision to help low income wage earners to get new homes. He said in part:

"The Defense Production Act includes in Title VI, the authority under which the Federal Reserve Board has issued its Regulation X governing the use of credit in the purchase of new homes. The President is now asking through a change in Section 602(d) that this authority be extended to cover sales of existing homes.

"The manner in which the Federal Reserve Board, together with the Housing and Home Finance Agency, has exercised this authority over credit controls makes us extremely reluctant to recommend any increase in this authority. In our opinion, Regulation X has harshly penalized the low and moderate income groups in our population.

"The requirements for high down payments have cut off low and moderate income families from the opportunity to purchase new homes.

"We recommend that the Defense Production Act be changed so that Regulation X can no longer unduly penalize low and moderate income families. In particular, we suggest a change in the second paragraph of Section 602(a) which lists a number of factors which must be considered in the imposition of these regulations. We sugest that there be added to the existing 4 factors the following:

"5. The ability of various income groups in the population to obtain adequate housing within their means under such credit regulations and

"6. The effect of such credit regulations upon the sales price of residential properties.

"It is our opinion that proper consideration of these factors would prevent the hardships of Regulation X.

"Only if these changes are adopted should Congress give the Federal Reserve Board any additional authority in this field."

# Workers Bear Defense Brunt

Washington.—A F L President William Green told Congress that under the present weak Defense Production Act, expiring June 30, workers have been bearing an unequal burden of economic sacrifices.

"Workers are perfectly willing to submit their wages to the restrictions of wage stabilization," he said, "but is it equitable or fair that they should find that their wages have fallen behind the cost of living?

"Only by developing a comprehensive, anti-inflationary program under which all the elements in the worker's cost of living are effectively controlled can wage stabilization succeed.

"The new Defense Production Act must lay the ground work for this type of anti-inflation program."

# *Tight Rent Controls A Must*

Washington.—Control over rents is part and parcel of the fight against inflation.

AFL President William Green told Congress that the second most important expenditure in the average family budget is for shelter. He cited government statistics reporting rent increases of 17 to 25 percent after rent decontrol. He said:

"We are glad to see that the President has placed the problem of rent control in its proper framework by recommending that it be included as an integral part of the Defense Production Act.

"The need for rent control is obvious. Although the present housing boom has passed all previous records, it has not been nearly sufficient to overcome our housing shortage. The 1950 census reports a vacancy rate of only 1.1 percent for all non-seasonal, non-dilapidated dwelling units offered for rent.

"The present rent control law must be completely revised. It was passed in an atmosphere of rent decontrol rather than rent control. Under its provisions, many communities were allowed to remove themselves from rent control, under the assumption that the housing shortage in their communities had been overcome and that rents would not rise. This committee can judge for itself whether or not this assumption was justified.

"In considering rent control legislation, attention must be paid to the special problems of building service workers. This is the only group of workers in our economy whose attempts to obtain equitable wage increases have met difficulties because their employers have been subject to controls continuously since 1942.

"We recommend that a provision be included in the Defense Production Act which provides that rent increases or rent adjustments should be made where it is shown that such action is necessary to absorb wage increases.

"A rent increase sufficient to absorb the increase in wages should take place—on an area-wide or association-wide basis.

"In addition, we see no reason why luxury apartments renting for over $175 could not be decontrolled. This would also ease the settlement of labor disputes in this industry."

## *The AFL Asks This Rent Program*

Washington.—AFL President William Green urged Congress to include in the new Defense Production Act the following rent control provisions:

(1) Place the rent control program on a "for the duration" basis.

(2) Establish rent controls immediately in all areas around military installations.

(3) Authorize rent controls where needed over all types of dwelling units, including new houses and conversions. This will involve recontrol of many areas which have been decontrolled and the establishment of controls in some defense areas where they have never previously been imposed.

(4) Provide strong eviction controls and effective enforcement procedures, including triple damages for overcharges and illegal evictions.

(5) Enforce mandatory reduction of rents where there are reductions in services.

(6) To prevent price rises due to increased commercial rents, extend rent control to cover business establishments.

(7) Adopt appropriate safeguards to protect living standards of building service workers.

# Food Price Rise Must Be Halted

Washington. — Purchases of food forms the largest single item in the average family budget.

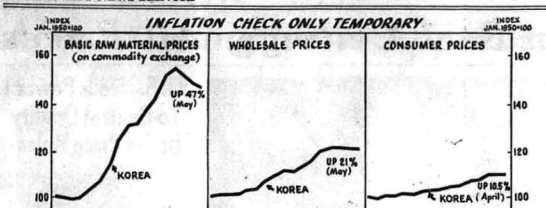
Since January 1950, food prices have increased 21 percent at wholesale, 15 percent at retail.

"If the worker's wages are to be regulated, he has every right to expect that the prices of the foods he has to buy at the grocery store will be effectively controlled," AFL President William Green told Congress in urging a tighter Defense Production Act to replace the one expiring June 30.

"This does not mean that the farmer has to be deprived of the benefit of a fair market price for his efforts.

"We feel certain that an equitable arrangement can be worked out under which the farmer will receive a fair price and at the same time the worker will be assured that he will not have to pay continually higher prices for his foods."

## INFLATION CHECK ONLY TEMPORARY


INDEX JAN. 1950=100
BASIC RAW MATERIAL PRICES (on commodity exchange)
WHOLESALE PRICES
CONSUMER PRICES
UP 47% (May)
KOREA
UP 21% (May)
KOREA
UP 10.5% (April)
KOREA
160
140
120
100
80
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J F M A M J J A S O N D J F M A
1950
1951

—AFL Labor's Monthly Survey

**Washington.—The charts show that price trends have either stabilized or turned down at all three levels—basic raw materials, wholesale, and consumers prices—for the first time since outbreak of the Korean war. By next fall or early 1952, however, inflation may again become a serious danger as defense payrolls mount and civilian goods are cut back.**

# U. S. Freeze on Television Stations Makes 8,000 Jobless, Perils More

By DAN SMYTH
Chicago Correspondent AFL News Service

Chicago.—Local 1031 of the AFL International Brotherhood of Electrical Workers filed a protest with the Federal Communications Commission against the FCC refusal to license new television stations.

Frank Darling, president of Local 1031, said more than 8,000 TV workers have been laid off in the Chicago area while the FCC dallies with pending applications for new TV licenses.

If the blanket freeze continues, Mr. Darling said, the industry will be hit with more mass layoffs, jeopardizing $50,000,000 annual wages now being paid to the union's members in TV factories.

Local 1031 represents more than 24,000 members in contracts with about 40 TV, radio and allied industries. The union's protest was filed by its attorneys, Joseph M. Jacobs and Alfred Kamin.

TV broadcasting currently is limited to 107 stations in 63 of the larger city areas. Only 69 are licensed. The other 47 operate on temporary construction permits.

The FCC is about to open hearings to consider future allocation of broadcasting permits. It recently proposed a national package allocation which would allow 2,000 new TV stations ultimately in 1,200 communities.

But no new licenses are to be issued until the hearings are completed, city by city, and an over-all final report is made. Hearings will begin June 11, if not postponed again.

# Delaney Criticizes Price Inflation

Geneva, Switzerland.—AFL International Representative George P. Delaney, U. S. worker delegate to the International Labor Organization, blamed price inflation in the United States since the Korea war began on commodity market speculation, hoarding and profiteering.

Speaking at the 34th ILO conference, Mr. Delaney said that "commodity market speculation, inventory hoarding and profiteering by dealers and manufacturers have been at the seat of the inflationary disease."

Mr. Delaney spoke at the opening of the debate on the annual report of ILO Director General David A. Morse. Mr. Morse urged worker, employer and government delegates to debate wage-price policies.

Mr. Morse said that despite the fall in the value of money, real wages have shown a rising trend since 1939, but warned:

"This upward trend may, however, be retarded by the increased burden of rearmament. To some extent, the burden will be met out of rising productivity and, to a less extent, by absorbing remaining unemployed resources. For the rest, however, it will inevitably involve some reduction either in present living standards as consumption is reduced, or in future living standards as investment is curtailed."

"Sharp and widespread increase in retail prices must be expected in 1951, as the spectacular increaser in raw material prices experienced in the latter half of 1950 exert their full effects," he said.

He appealed for an "open world."

"We need an open world," he said. "We need a wide understanding between all people, the meeting of man with man, of mind with mind. No barrier should exist to the free movement of people and of ideas. Without an open world we shall never be free from suspicion and fear, we shall never move towards a society of prosperity and peace."

The sessions will deal with a 9-item agenda out of which one or more new International Labor conventions and four new formal recommendations may emerge.

These instruments, if adopted, will establish new international minimum standards in several important fields of social policy. If approved, they will become part of the International Labor Code which already comprises 98 conventions and 88 recommendations passed at previous sessions of the conference since 1919.

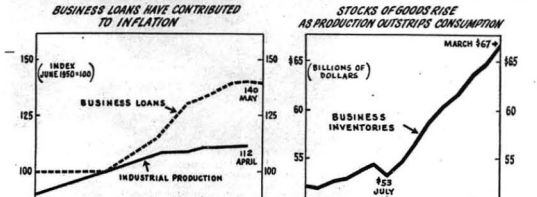
## END GAMBLING

Washington.—The AFL wants the new Defense Production Act to force speculators in commodities to invest their own money in these operations.

AFL President William Green told Congress:

"Considerable objection has been raised against the proposal by the President to control margin requirements on the commodity exchanges. The special interests who would be affected by this proposal were strong enough to block any effort to include this proposal in the original Defense Production Act.

"The federal government has been regulating margin requirements for many years, margin requirements in the various security markets, including the New York Stock Exchange. This proposal would simply extend to the commodity markets the powers now existing with reference to the security markets."




—AFL Labor's Monthly Survey

**Washington.—Chart (left) shows how business loans, which were easy to make, helped to bid up prices since the Korean war began, rising far faster than production. Much of the borrowed money served to buy supplies for resale at higher prices, not for production. On the right, chart shows total inventories have risen $14 billion since Korea and consumers are not taking these goods off market because of high prices.**

# Cash Register Men Run Daily Papers

Washington.—The daily press is run by the fellow in the business office, Edward Keating, editor of "Labor," the weekly newspaper of 21 railroad brotherhoods, told Labor Press Associated.

"It is run by a fellow who can run a cash register, go to the country club and belong to the Chamber of Commerce," Mr. Keating said in addressing LPA's annual meeting. He said this is "a most unfortunate stage in the development" of the daily press.

Mr. Keating said that what is needed is a labor press owned by the workers and edited by men who don't think they know more than the workers.

"Any man who thinks he is going to educate the American worker is loonny," he said. "What he can do is inform him about what is going on in Washington and around the world.

"The labor movement should own all labor papers. The workers should control their own newspapers.

"I told that to Sam Gompers. And Sam seemed to like it."

Mr. Keating, who founded "Labor" for the railroad brotherhoods, said it is the largest circulated labor newspaper in the United States and has more circulation, more than 70,000 copies, in Canada than any other America newspaper.

"Those who have anything to do with the labor press are attacking a tremendously important problem," he said.

"One of the greatest tasks to be performed for American workers is the establishment of an integrated labor press.

"But running a labor press is like labor in a church. Don't get it into your head you know more than the fellow who reads your paper.

"You are serving the greatest cause in the world. It is not the cause of just the man who works. It is the cause of mankind."

# Editors Vote Continuing Study Aimed at Improving Labor Press

Washington.—Eastern Labor Press Conference voted a continuing study of labor newspapers aimed at improving reader interest and influence.

Under a resolution introduced at the annual meeting by Doral Chenoweth, managing editor Charleston (W. Va.) Labor News Review, a committee will be established "to conduct a continuous and thorough study of labor newspapers, the formal study of labor journalism, and trends in the trade of labor journalism in all its respects during 1951-52 for the purpose of making a formal report to this conference at the next regular session."

Chenoweth's publication was chosen best of the weekly community labor newspapers entered in the conference's annual competition. The Hat Worker, published by the AFL United Hat, Cap and Millinery Workers, was chosen best among monthly publications in newspaper format, and The Butcher Workman of the AFL Amalgamated Meat Cutters was picked best of the monthly journals in magazine format.

The awards committee emphasized that most credit was given for originality in developing a local or union twist to stories.

Officers elected were Frank B. Powers, Commercial Telegraphers Union Journal, president; Ruth Taylor, columnist, secretary-treasurer; John Bookjans, Catering Industry Employe; Leon B. Schachter, Camden, N. J., Union Reporter; J. B. Springer, Train Dispatcher; Irvin S. Lippe, Trainman News; Bernard Tassler, The American Federationist; Ray Taylor, United Auto Worker; Garland Ruark, Baltimore, Md., Federationist, all vice presidents.

# Building Trades Get Wage Panel

Washington.—The Wage Stabilization Board established a 12-member tripartite commission to administer wage stabilization in the building and construction industry.

General Wage Regulation 12 setting up the commission was adopted and issued by the board after consultation with Secretary of Labor Maurice J. Tobin, who expressed himself "in full agreement" with the action.

The new commission, composed of four public, four industry, and four labor representatives, will function as an arm of the Wage Stabilization Board and will conform to the "regulations, policies, orders, and decisions" of the board in stabilizating wage rates in the building and construction field.

Establishment of a construction industry stabilization commission was requested by 9 national contractors' associations and the American Federation of Labor Building and Construction Trades Department.

# Tobin Bans Aliens As Strikebreakers

Washington.—Secretary of Labor Maurice J. Tobin ordered that all Mexican nationals being used as strike breakers in the Imperial Valley of California be removed.

The Mexican farm workers are to be removed from the 489 farms whose owners are members of the Imperial Valley Farmers Association at El Centro, Calif. AFL National Farm Labor Union members went on strike May 24 after the employers' association refused to accede to the union's demands for $1 daily minimum wage.

H. L. Mitchell, president, National Farm Labor Union, said that in view of Secretary Tobin's action to enforce the International Executive Agreement between the United States and Mexican governments, he expected the strike to be settled at an early date, upon terms favorable to the American workers who are and have been discriminated against by the Imperial Valley Farmers Association in favor of Mexican contract nationals and "wetbacks," as the illegal aliens are called.

## LAUDS PAPERS

Washington. — President Truman praised the role bonafide labor newspapers are playing in giving workers a fair report on America's fight to safeguard our liberties at home and abroad.

Mr. Truman said in a letter to the annual meeting of Labor Press Associated, the cooperative daily news service, that labor editors "have a great opportunity" to help make the American people understand the economic effort required to win that fight.

Addresses were made by Paul R. Porter, deputy ECA administrator and former editor Kenosha, Wis., Labor; Morris Novik, labor radio consultant; Frank Edwards, AFL-sponsored news commentator; Sam Eubanks, executive vice president CIO Newspaper Guild; Mr. Danish and Edward Keating, editor Labor.

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